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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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*In re*

AMBAC FINANCIAL GROUP, INC.,  
  
Debtor.

Chapter 11

Case No.: 10-15973 (SCC)

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KARTHIKEYAN V. VEERA,  
  
Plaintiff,  
  
v.

District Court Case No.:  
1:10-CV-4191 (HB) (S.D.N.Y.)

AMBAC PLAN ADMINISTRATIVE  
COMMITTEE, *et al.*,  
  
Defendants.

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**NOTICE OF REQUEST FOR RELIEF**

**YOUR RIGHTS MAY BE AFFECTED.** You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy. If you do not have an attorney, you may wish to consult with one.

**NOTICE** is hereby given that Karthikeyan V. Veera has hereby moved for a declaration that the automatic stay does not apply to Mr. Veera's subpoena to Ambac or, in the alternative, for an Order granting relief from the automatic stay (the "Motion").

The Motion was filed on January 5, 2011 via the Electronic Case Filing system of the United States Bankruptcy Court for the Southern District of New York.

You have until Wednesday, January 12, 2011 to file written objection to the motion. Failure to file an objection by January 12, 2011 may cause the Court not to consider the objection. **If no objections are timely filed and served in accordance with the Case Management Procedures, the Request for Relief may be granted without a hearing.**

The Omnibus Hearing date at which Mr. Veera intends to present the Motion is scheduled for Wednesday, January 19, 2011 at 10 a.m.

Dated: January 5, 2011  
New York, New York

/s/ Stephen J. Fearon, Jr.  
Stephen J. Fearon, Jr.

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AMBAC PLAN ADMINISTRATIVE  
COMMITTEE, *et al.*,  
  
Defendants.

**KARTHIKEYAN V. VEERA'S MOTION SEEKING A  
DECLARATION THAT THE AUTOMATIC STAY DOES NOT  
APPLY TO VEERA'S SUBPOENA TO AMBAC OR, IN THE ALTERNATIVE,  
AN ORDER GRANTING RELIEF FROM THE AUTOMATIC STAY**

Karthikeyan V. Veera (“Veera”) is the Plaintiff in a proposed ERISA class action pending in the Southern District of New York before The Honorable Harold Baer, *Veera v. Ambac Plan Administrative Committee, et al.*, No. 1:10-cv-4191 (HB) (the “Class Action”). He brings that class action on behalf of himself and other participants in the Ambac Financial Group, Inc. Savings Incentive Plan (the “Plan”) who have lost their retirement assets by investing in Ambac common stock through the Plan. Mr. Veera has brought the claims against the fiduciaries of the Plan for violating their ERISA duties but he has not named Ambac -- the debtor here -- as a defendant. Discovery is proceeding in the Class Action and Judge Baer has set a June 30, 2011 deadline for fact discovery. As set forth in the accompanying papers, Defendants’ counsel in the Class Action have represented that Ambac controls the vast majority of the documents that Mr. Veera has sought from Defendants and that the automatic stay applies to almost all of the discovery that Mr. Veera seeks in the Class Action as well as to the witnesses whom Plaintiff will depose. Defendants have argued that Plaintiff must seek leave from this Court for discovery. As a result, Plaintiff files this motion seeking a declaration that the automatic stay does not apply to Plaintiff’s discovery of Ambac or, alternatively, Plaintiff seeks an Order granting relief from the automatic stay so that Plaintiff can serve a subpoena on Ambac seeking certain discovery and establishing procedures to address disputes between the parties in the Class Action about upcoming depositions of Ambac or any witness who is currently employed by Ambac and may be integral to its reorganization efforts.<sup>1</sup> In support of this Motion,<sup>2</sup> Veera has filed his Opening Brief in Support of Motion Seeking A Declaration That

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<sup>1</sup> The submission of this Motion or the Opening Brief shall not in any way constitute a submission by Veera to the jurisdiction or authority of the Bankruptcy Court for the resolution of the claims in the Class Action.

<sup>2</sup> All capitalized terms not otherwise defined herein shall have the respective meanings set forth in the Opening Brief.

The Automatic Stay Does Not Apply To Veera's Subpoena to Ambac Or, In The Alternative, An Order Granting Relief From The Automatic Stay (the "Opening Brief") as well the Declaration of Stephen J. Fearon, Jr., and incorporates those documents into this Motion.

WHEREFORE, for the reasons set forth in his supporting papers, Plaintiff Veera respectfully requests that this Court enter an Order declaring that the automatic stay does not prevent Plaintiff from serving a subpoena on Ambac (substantially in the form annexed as Exhibit D to the Fearon Declaration) to obtain documents and testimony from Ambac in connection with his claims against the non-debtor defendants in the Class Action or, alternatively (i) lifting the automatic stay so that Plaintiff Veera may issue a non-party subpoena to the Debtor substantially in the form annexed to the Fearon Declaration and take all other actions necessary in order to obtain documents and testimony from the Debtor in support of his claims against the non-debtor defendants in the Class Action and (ii) granting such other and further relief as this Court may deem just and proper.

Dated: January 5, 2011  
New York, New York

Respectfully Submitted,  
  
SQUITIERI & FEARON, LLP  
  
/s/ Stephen J. Fearon, Jr. \_\_\_\_\_  
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*Attorneys for Karthikeyan V. Veera*

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

*In re*

AMBAC FINANCIAL GROUP, INC.,  
  
Debtor.

Chapter 11

Case No.: 10-15973 (SCC)

KARTHIKEYAN V. VEERA,  
  
Plaintiff,

v.

AMBAC PLAN ADMINISTRATIVE  
COMMITTEE, *et al.*,  
  
Defendants.

District Court Case No.:  
1:10-CV-4191 (HB) (S.D.N.Y.)

**ORDER GRANTING KARTHIKEYAN V. VEERA'S MOTION  
SEEKING A DECLARATION THAT THE AUTOMATIC STAY DOES NOT  
APPLY TO VEERA'S SUBPOENA TO AMBAC OR, IN THE ALTERNATIVE,  
AN ORDER GRANTING RELIEF FROM THE AUTOMATIC STAY  
(relates to Docket Nos. \_\_\_\_\_)**

UPON CONSIDERATION OF the Motion Seeking A Declaration That The Automatic Stay Does Not Apply To Plaintiff's Subpoena To Ambac Or, In The Alternative, An Order Granting Relief From The Automatic Stay (the "Motion") and all briefs and papers in support of the Motion, filed by Karthikeyan V. Veera ("Veera"), seeking entry of an Order declaring the automatic stay imposed by Section 362(a) of title 11 of the United States Code does not apply or, alternatively, lifting the stay so that Veera may issue a subpoena to the Debtor and take all other actions necessary in order to obtain documents and testimony from the Debtor in support of his claims against Non-debtor defendants in District Court civil action number 1:10-CV-4191 (HB)

("District Court Action"); and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and due and proper notice of the Motion having been provided to the parties as set forth in the Certificate of Service filed by Veera, and it appearing that no other or further notice needs to be provided; and the Court having determined that the relief sought in the Motion is in the best interest of the Debtors' estate, creditors, and all parties in interest and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is ORDERED:

1. The relief sought in the Motion is GRANTED. All capitalized terms not otherwise defined herein shall have the respective meaning set forth in the opening brief in support of the Motion.

2. The automatic stay as provided in 11 U.S.C. § 362 is deemed not to apply to Veera's exercise of his rights to seek documents and testimony from the Debtor in support of his claims against the non-debtor defendants in the Class Action.

3. Even if the automatic stay could be deemed to apply, the Court hereby determines that the automatic stay should be lifted and does not bar Veera from issuing a subpoena to the Debtor and from taking all other actions necessary in order to obtain documents and testimony from the Debtor in support of his claims against the non-debtor defendants in the Class Action.

Dated: \_\_\_\_\_, 2011  
New York, New York

\_\_\_\_\_  
UNITED STATES BANKRUPTCY JUDGE

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on January 5, 2011, I caused copies of the foregoing (1) Notice of Request for Relief and (2) Karthikeyan V. Veera's Motion Seeking A Declaration That The Automatic Stay Does Not Apply to Veera's Subpoena to Ambac Or, In The Alternative, An Order Granting Relief From The Automatic Stay to be served via the Court's Electronic Filing System and also via first class mail, postage prepaid, upon the parties listed on the attached matrix.

Dated: January 5, 2011  
New York, New York

/s/ Stephen J. Fearon, Jr.  
Stephen J. Fearon, Jr.

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